This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 04 THE HAGUE 002610

SIPDIS

SENSITIVE

DEPARTMENT FOR EUR - CHARLIE RIES, EUR/PGI, EUR/ERA, EUR/UBI, OES/PCI USAID FOR EGAT - JACKEE SCHAFER, PCC - SARAH SWIFT GDA- HOLLY WISE

E.O. 12958: N/A

TAGS: SENV ECON EFIN PREL EI NL EUN SUBJECT: EVERY SILVER LINING HAS A CLOUD: DUBLIN AND THE HAGUE WILLING PARTNERS ON SUBSTAINABLE DEVELOPMENT; EC LESS ENTHUSIATIC

REF: A. STATE 243400

¶B. STATE 272561
¶C. STATE 275504

This cable contains sensitive information. Handle accordingly.

(U) This cable has been cleared by Embassy Dublin and USEU Brussels.

SUMMARY

(U) In a trip designed to build relationships on **¶2.** sustainable development with the January-June 2004 EU Troika (Ireland, The Netherlands, and the European Commission), and to explore specific efforts on water, a small U.S. delegation -- led by State Department Special Representative for Sustainable Development Jonathan Margolis -- made substantial inroads with Irish and Dutch interlocutors and identified several areas of common ground. We also identified specific opportunities for further discussion and collaboration. Conversations in Brussels may have opened the door for further communication with the EC, but also identified areas of clear disagreement. These consultations laid significant groundwork for future collaborative efforts on water issues, and also reinforced U.S. interest in working through a reformed UN Commission on Sustainable Development, a message that was well-received across the board. Throughout the trip, the U.S. delegation held a number of fruitful consultations with private sector and civil society representatives.

## BACKGROUND

(U) During the week of September 29, Jonathan Margolis, Department's Special Representative for Sustainable Development, led a small State/OES-State/EUR delegation to Dublin, Brussels, and The Hague. Margolis delivered a series of key messages:

The U.S.:

- -- is committed to sustainable development and to following up on the Doha Development Agenda, Monterrey Consensus, and the outcomes of the World Summit on Sustainable Development (WSSD);
- -- is eager to push forward with specific implementation programs;
- supports working through the UN and other multilateral institutions, and agrees fully with the UN's initial focus on water:
- -- would like UN sustainable development meetings (especially the Commission on Sustainable Development (CSD)) to showcase programs and plans for implementation in specific developing countries - those for whom water is a developmental priority;
- -- is committed to making the new non-negotiating format of the CSD 12 session a success by ensuring strong technical expert participation and robust engagement with private sector and civil society;
- -- is developing three areas of focus for its efforts on
- a) point-of-use approaches to safe drinking water, building on the Safe Water System public-private partnership launched at last year's World Summit on Sustainable Development;
- b) expanded efforts on innovative financing mechanisms for water supply infrastructure, building in particular on the success of USAID's revolving fund efforts;

c) "expert support teams" (USG or potentially multi-donor) that would assist self-selecting developing countries in their efforts to develop national water development strategies (reftels)

-- would like to identify opportunities for collaboration and partnership with Europe and is looking ahead to a series of international meetings including the Water for the Poorest meeting (Stavanger, Norway; 4-5 November 2003), Pan-African Implementation and Partnership Conference on Water (Addis Ababa, Ethiopia; 8-13 December 2003), UNECE sustainable development prep meeting (Geneva; 15-16 January 2004), UNEP Global Ministerial Environment Forum (Jeju, South Korea; 29-31 March 2004), and 12th session of the UN Commission on Sustainable Development (CSD 12; New York; 14-30 April 2004).

RELATIONSHIP-BUILDING IN DUBLIN

 $\underline{\mbox{\bf 14.}}$  (U) The U.S. delegation's trip opened with a thorough and congenial dialogue with several members of Ireland's sustainable development team (including Department of the Environment, Heritage, and Local Government Assistant Secretary Geraldine Tallon and reps from the Department of

Foreign Affairs and Development). While the GOI team has only recently begun its preparations for CSD 12, they were supportive of U.S. ideas, particularly the concept of assisting specific developing countries with their national water strategies in advance of the CSD meetings. They identified water experts on their side and expressed interest in an ongoing dialogue between USG and GOI experts in the run-up to CSD 12. The GOI team also raised the issue of the format of the CSD 12 session itself, openly grappling with the practical aspects of how one uses a UN setting to facilitate implementation.

TAKING THE PULSE IN BRUSSELS

- (U) USDEL met with officials from DG-Development, DG-Environment, DG-Relex, and DG-Research, each of whom claimed competence over various aspects of EU sustainable development policy. DG-Environment Director for Global and International Affairs Claus Sorensen welcomed moving from rhetoric about sustainable development to implementation, noting the "uselessness" of trying to re-negotiate Johannesburg at the UNECE Environment for Europe Ministerial (Kiev, May 2003). However, Sorensen also stressed that while the UN should support implementation of such projects, it could not abandon its global policymaking role and must maintain a monitoring function over all efforts, in order to ensure a continuing commitment by all countries. He agreed that the U.S.-advocated country-specific approach could help avoid "consensus quagmire that plagues the UN" and allow the UN to better move forward on implementation. Although DG-Development Chef de Cabinet Friedrich Hamburger was receptive to Margolis' proposals in pri nciple, in a number of occasions, instead of opening doors to U.S.-EU cooperation, he cited limitations that would hamper working together. Hamburger said he agreed it would be working together. Hamburger said he agreed it would be useful for U.S. and EU water experts to work together on Hamburger said he agreed it would be identifying water projects; however, he did not respond to our suggestions on working through multilateral institutions nor to our request for points of contact for follow-up. Hamburger also noted that while the U.S. was willing to choose its focus countries, "Europe could not abandon the poorer countries and must maintain cooperation with all countries in need." At each of our meetings, EC interlocutors instinctively called for a renewed role for multilateral policy guidance and UN monitoring of WSSD commitments.
- (U) Our EC interlocutors showed interest in USDEL's suggestion that we explore the possibility of resuming a U.S.-EU high-level dialogue on sustainable development. DG-Environment's Sorensen noted that for such a dialogue to be productive we would have to identify only those specific areas where both sides agreed progress was possible. He said the EU would have to consult within the Commission to identify those areas before proceeding. After our meeting, Sorensen's staff informed us that although previous such dialogues had been led by DG Catherine Day, she would not participate in any future dialogue and would delegate such responsibility to Sorenson.

PRAGMATISM IN THE HAGUE

- (SBU) Our engagement with Dutch interlocutors was decidedly positive. Ton Boon von Ochssee, newly appointed Ambassador for Sustainable Development in the Dutch Foreign Ministry, convened a lively meeting with 10 members of the Dutch interagency sustainable development task force. with the Irish, the Dutch are in the early stages of their preparations for CSD; nonetheless, they listened receptively to USG ideas, offering probing questions and useful suggestions. They also described a recent GON effort to mainstream public-private partnerships within their domestic and international sustainable development activities and expressed interest in learning more about USAID's Global Development Alliance. The Dutch are particularly interested in water projects in Africa and in promoting donor coordination on such efforts. We collectively identified the upcoming meetings in Norway ("Water for the Poorest," to be convened 4-5 November in Stavanger, Norway, by the International Water Academy) and Addis ("Pan-African Implementation and Partnership Conference on Water," to be convened 8-13 December by the African Ministerial Council on Water (AMCOW), the UN, and the African Development Bank) as opportunities to coordinate among donors. The Dutch suggested that we plan to stay on an extra day at each meeting to advance the planning and dialogue for cooperation on water projects - a suggestion we endorsed. In a direct communication, Ambassador von Ochssee offered to help us get our positive message across in Europe, especially with those member states that may be less inclined to hear it.
- 18. (U) In a separate meeting, Gerard Wolters, Inspector-General in the Dutch Environment Ministry and Co-Chair of the International Network of Environmental Compliance and Enforcement (INECE) responded positively to USDEL's suggestion that INECE explore bringing their enforcement and compliance training modules, particularly on water-related issues, to the CSD process. Comment: While agreeing with much of the USG's approach to sustainable development, the Dutch were frank in highlighting which elements of the U.S. agenda might receive pushback from other EU member states. Specifically, they encouraged us to articulate what policy role on water if any we envision the UN playing. We provided an example on water pricing in which the UN might promote opportunities for specific countries to discuss their individual approaches to pricing options, rather than on a global policy. End Comment.

POSITIVE DIALOGUES WITH PRIVATE SECTOR, CIVIL SOCIETY

19. (U) In both Dublin and Brussels, the U.S. delegation held a series of positive dialogues with private sector and civil society representatives. At an NGO roundtable in Dublin, for example, NGO reps were quite receptive to U.S. messages on the need for an implementation focus, particularly within the UN sustainable development context. NGO reps in Brussels expressed surprise and satisfaction with U.S. commitment to pursue sustainable development within the UN context. The American Chamber of Commerce in Brussels was also positive about the U.S. delegation's message and offered a frank and eye-opening assessment of their difficulties operating in Europe as American companies. They complained, however, that the European Commission had shut out U.S. companies from consultations and discussions on corporate social responsibility. They also voiced some concerns regarding what they saw as increased European cynicism towards U.S. initiatives on sustainable development. Notably, NGOs and private sector repre sentatives in both countries made only passive references to climate change policy. Comment: In many ways, these dialogues were more positive and pragmatic than those with U.S. stakeholders. This seemed to be partly because the groups were more frustrated with the perceived failures of their own governments and the EU and were therefore less inclined to snipe at U.S. government policies. End Comment.

## COMMENTS

- 110. (SBU) After several years of a difficult and often heated trans-Atlantic dialogue on sustainability issues, the meetings in Dublin and The Hague were a breath of fresh air. Ireland and the Netherlands appear to be among the most forward-leaning and pragmatic EU member states. Their cordial reception of the U.S. delegation and seeming willingness to explore areas of common interest left the U.S. delegation optimistic. With both countries slated to hold the EU Presidency next year, improved U.S.-EU cooperation could yield great dividends for the sustainability agenda, particularly on water, sanitation, and human settlements.
- 111. (SBU) While EC representatives indicated a willingness to look into areas in which the U.S. and EU could collaborate, they also identified clear areas of policy disagreement.

Although such collaboration may not be immediate, the greater degree of open-mindedness of some interlocutors (particularly DG-Environment's Sorenson) suggests that such cooperation is still a possibility.

112. (SBU) Initial reactions from interlocutors - particularly those in Dublin and The Hague - suggest that this series of meetings has played an important role in shaping European expectations for CSD 12. Both the Irish and Dutch governments appear to have robust sustainable development teams, but are at an early stage of their planning for CSD and are receptive to others' visions for what the key outcomes of the meeting might be. Both see the November meeting in Norway and December meeting in Ethiopia as key opportunities.

End Comments.

NEXT STEPS

- 113. (SBU) USDEL and interlocutors identified several key next steps in the coming weeks/months:
- -- The 4-5 November "Water for the Poorest" meeting in Stavanger, Norway, and 8-13 December "Pan-African Implementation and Partnership Conference on Water" in Addis Ababa, Ethiopia will both be key opportunities for further planning and donor coordination.
- -- EU, GOI and GON interlocutors responded positively to the suggestion of digital videoconferences (DVCs) in the near future to continue the dialogue.
- -- In the meantime, both  ${\tt GOI}$  and  ${\tt GON}$  agreed to working-level dialogues with  ${\tt USG}$  water experts.
- -- A small Dutch sustainable development team might be traveling to Washington in the next month or two; USDEL invited the visitors to join an interagency CSD working group meeting.
- -- The Dutch indicated they might be able to find \$4\$ million to support the West African Water Initiative.

SOBEL